

**BEFORE
THE PUBLIC SERVICE COMMISSION OF
SOUTH CAROLINA**

DOCKET NO. 2019-184-E

South Carolina Energy Freedom Act) (H.3659) Proceeding to Establish Dominion) Energy South Carolina, Inc.'s Standard Offer) Avoided Cost Methodologies, Form Contract) Power Purchase Agreements, Commitment to) Sell Forms, and Any Other Terms or) Conditions Necessary (Includes Small Power) Producers as Defined in 16 United States) Code 796, as Amended) – S.C. Code Ann.) Section 58-41-20(A))))))	<u>JOINT PROPOSED LIST OF ISSUES</u> <u>PRESENTED BY THE SOUTH</u> <u>CAROLINA SOLAR BUSINESS</u> <u>ALLIANCE AND JOHNSON</u> <u>DEVELOPMENT ASSOCIATES</u>
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Pursuant to the Public Service Commission of South Carolina's ("Commission") Order No. 2019-129-H, Intervenor South Carolina Solar Business Alliance, Incorporated ("SCSBA") and Johnson Development Associates, Incorporated ("JDA" and, together with SCSBA, "Intervenor") hereby present the following list of issues for Commission determination in these proceedings to implement the requirements of The Energy Freedom Act, Act No. 62 of 2019:

ISSUES FOR DETERMINATION BY COMMISSION

Dominion Energy bears the burden of proof in this proceeding

Preliminary Issues

1. Should Dominion Energy South Carolina's ("DESC's") Motion to Strike Final Report of Power Advisory, LLC be granted?

Yes _____ No _____

2. Are DESC's avoided cost filings "reasonably transparent so that underlying assumptions, data, and results can be independently reviewed and verified by the parties and the commission," as required by S.C. Code Ann. § 58-41-20(J)?

Yes ____ No ____

3. If not, what is the appropriate remedy for DESC's failure to comply?
- a. Should the Commission order that an independent consultant be retained to evaluate DESC's avoided cost rates, methodologies, and calculations in the next biennial avoided cost proceeding, and for any other avoided cost filing made by DESC prior to the commencement of that proceeding?

Yes ____ No ____

Integration Charges

1. Embedded Integration Charge ("EIC")
- a. Does DESC's proposed methodology for calculating the integration costs of solar QFs as a component of avoided energy costs fully and accurately represent the actual costs of integrating solar QFs on its system?

Yes ____ No ____

- i. Does the constant 35% of nameplate-capacity reserve margin assumed by DESC in calculating the EIC accurately reflect the operation of DESC's system?

Yes ____ No ____

- ii. If DESC's proposed EIC does not fully and accurately represent the actual costs of integrating solar QFs on DESC's system, is it

reasonable on a provisional basis to approve the \$0.96/MWh
integration charge proposed by SBA Witness Burgess as an EIC?

Yes _____ No _____

2. Variable Integration Charge (“VIC”)

- a. Should the Commission approve DESC’s request for authorization to impose a Variable Integration Charge of \$4.14/MWh on solar projects that are already under contract with DESC, and which have PPA language authorizing imposition of a charge if approved by the Commission?

Yes _____ No _____

- i. Does the Navigant Study accurately and reliably quantify the integration costs, if any, associated with such facilities?

Yes _____ No _____

- ii. Is it inappropriate for DESC to retroactively impose any integration charge on solar QFs already under contract with DESC?

Yes _____ No _____

- b. If not, should the Commission authorize DESC to impose an alternative VIC of \$0.96/MWh on solar projects that are already under contract with DESC, and which have PPA language authorizing imposition of a charge if approved by the Commission?

Yes _____ No _____

3. Should the Commission issue an order initiating the integration study authorized by Act 62?

- a. Should any future methodology used by DESC to calculate integration costs be aligned with the Act 62 Integration Study?

Yes _____ No _____

- b. Should any future methodology used by DESC to calculate integration costs be subject to stakeholder input and/or independent review?

Yes _____ No _____

4. Should DESC be directed to submit, for review and Commission approval, reasonable technical standards by which Solar QFs can avoid integration charges?

Yes _____ No _____

- a. Should DESC be barred from imposing integration charges on any QF until such technical standards have been approved by the Commission?

Yes _____ No _____

Avoided Energy

1. Do the Standard Offer rates for the purchase of energy proposed by DESC fully and accurately reflect Duke's avoided costs for solar QFs?

Yes _____ No _____

2. Do the calculations and methodologies proposed by DESC to calculate avoided energy costs for solar QFs fully and accurately reflect the electrical utility's avoided costs?

Yes _____ No _____

- a. Does DESC's calculation of an Embedded Integration Charge for Solar QFs fully and accurately reflect the integration costs of solar QFs?

Yes _____ No _____

- b. Is it reasonable for the Commission to approve a technology-neutral avoided energy rate for all QFs?

Yes _____ No _____

- i. If so, is it reasonable to approve the technology specific avoided energy rates proposed by SBA Witness Burgess for the Standard Offer?

Yes _____ No _____

- ii. In the absence of an approvable DESC methodology for calculating avoided energy rates for solar QFs, should SBA's proposal to require DESC to calculate avoided energy costs for solar QFs larger than 2 MW using the same methodology employed for non-solar QFs larger than 2 MW be approved?

Yes _____ No _____

Avoided Capacity

1. Do the calculations and methodologies proposed by DESC to calculate avoided energy costs for solar QFs fully and accurately reflect the electrical utility's avoided costs?

Yes _____ No _____

2. Is DESC's conclusion that solar provides no capacity value to its system reasonable?

Yes _____ No _____

- a. If not, should DESC calculate the capacity contribution of solar using the ELCC method?

Yes _____ No _____

- b. If so, should solar be assigned a capacity value of 24%?

Yes _____ No _____

3. Should the technology-neutral capacity rates proposed by SCSBA Witness Burgess be approved for the Standard Offer?

Yes _____ No _____

- a. Should the technology-neutral avoided capacity calculation methodology recommended by Mr. Burgess be approved for solar and non-solar QFs larger than 2 MW?

Yes _____ No _____

4. If not, should the solar QF and solar plus storage-specific QF capacity rates proposed by Witness Burgess be approved for the Standard Offer?

Yes _____ No _____

Standard Form Power Purchase Agreements

5. Is DESC's proposed Standard Offer PPA "commercially reasonable" as required by S.C. Code Ann. § 58-41-20(B)(2)?

Yes _____ No _____

6. Is the Large Form QF PPA terms proposed by DESC but opposed by Intervenors Power Advisory in this proceeding reasonable and appropriate?

Yes _____ No _____

- A. Are Liquidated damages equal to the average annual estimated capacity payments under the opposed by SCSBA, JDA, and Power Advisory Appropriate?

Yes _____ No _____

- B. Including force majeure as a reason to extend the COD Milestone Date

Yes _____ No _____

7. Should the Commission allow a QF to be able to form a LEO or execute a PPA within one year of filing its interconnection request, as proposed by SCSBA?

Yes _____ No _____

8. Should DESC be required to provide the QF a System Impact Study within 1 year of interconnection request (or an amount of time that is mutually agreeable between the buyer and seller), as proposed by SCSBA?

Yes _____ No _____

9. If not, should the PPA provide an offramp for QFs in the event that interconnection costs exceed \$75,000/MW-AC?

Yes _____ No _____

Notice of Commitment to Sell (“NoC”) Form

10. Are the Notice of Commitment Form terms proposed by DESC and opposed by SCSBA and JDA reasonable and appropriate?

Yes _____ No _____

Contract Length

11. Is it appropriate for the Commission to approve PPAs proposed by SCSBA and JDA greater than 10 years in length?

Yes _____ No _____

12. Should the Commission approve the following Intervenor proposals for contracts longer than 10 years provided by SCSBA and JDA:

A. Dispatchable CPRE-style PPA.

Yes _____ No _____

B. Ten year fixed term PPA with additional fixed term at then-current avoided cost.

Yes _____ No _____

Other

13. Should the standard offer, avoided cost methodologies, form contract power purchase agreements, commitment to sell forms, and terms or conditions approved by the Commission in this proceeding be applied prospectively in accordance with Commission precedent and the tenants of the common law of this State?

Yes _____ No _____

14. Should the standard offer, avoided cost methodologies, form contract power purchase agreements, commitment to sell forms, and terms or conditions approved by the Commission in this proceeding go into effect in the first billing cycle **after the Commission's Order** is entered, as proposed by SCSBA?

Yes _____ No _____